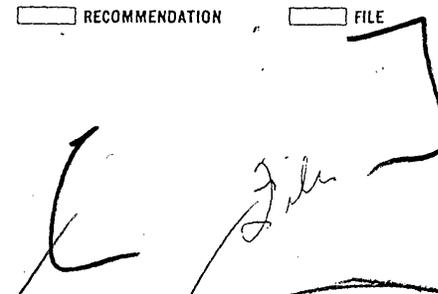


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1	Assistant to the Director	[]	11 June			
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COMITE GUATEMALTECO ANTICOMUNISTA (CGAC)

(Trabaja para erradicar el Comunismo de América)

4A. CALLE PONIENTE No. 65

SAN SALVADOR, REP. DE EL SALVADOR, CENTRO AMERICA.

No.

Su ref:

n / ref:

Mayo 31 de 1954.

Aéreo:

Ord...:

Cert...:

Translation.

THE LIBERATION MOVEMENT OF GUATEMALA FROM COMMUNIST CLAWS AND THE UNITED FRUIT COMPANY. THE LIBERATION MOVEMENT OF GUATEMALA FROM COMMUNIST CLAWS and THE UNITED FRUIT COMPANY.

The United Fruit Company did not give to the social and labor developments that arose in Guatemala and the rest of Central America halfway the year 1944 the importance which they deserved.

Instead of reacting intelligently and giving the workers and farmers in Guatemala advantages in the form of salaries, contracts, loans, housing, etc., the United Fruit Company tied herself to her obsolete methods and to wait patiently for the workers to defeat her, step by step, in partial but effective strikes fully supported by the Guatemalan government, who rushed through unilateral labor legislation wholly biased in favour of the workers.

The U.F.C. devoted herself to promote plots to overthrow the Revolutionary Government of Guatemala, but trying to "work it cheap" sought individuals of little political and military talent, hoping to win through a lucky break, but failed. There have been many of these attempts during the past ten years.

The 1950 Presidential Elections afforded a grand opportunity to seek for a successor to President Sr. Juan José Arévalo, but through lack of foresight the United Fruit Company failed to take it up. Instead, they wishfully believed the rumors spread by the government supporters - that the official candidate Col. Jacobo Arbenz, being an Army officer and a "newly rich", on assuming power would steer Guatemala towards the right, and thought that the right meant a return to the conditions prevailing in 1944.....

This policy was unquestionably misconceived. Arbenz took office on 15th March 1951, and followed with a great impulse the path of the Communist revolution; he enacted an agrarian law based upon the law of Communist China, confiscated the U.F.C.'s lands and has treated Americans in general, and the United States Government in particular with provocation coarseness and brutality.

The Board of Directors of the U.F.C. saw very late the danger coming and commissioned their 12 principal lawyers and counselors, among them as head Sr. Row Torquemada (a Democrat who breakfasted occasionally with President Roosevelt and Truman), to prepare a plan of action, in order to settle triumphantly the case of Guatemala.

It is well known that in Guatemala a strong man, General Jacobo Arbenz, was chosen and supported. He was induced to take the advice of lawyer Sr. Juan Manuel Armas, first a Minister of Defense, and later an Air Commander, and President of the Republic. His formula was to...

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without a thorough study of the special conditions prevailing at the present in Guatemala, they adopted a similar plan for Guatemala. Juan Córdova Cerna, lawyer to the UFCO., and to the International Railway of Central America (I.R.C.A.) had been Minister of the Interior during 1944 in Guatemala. Mr. Córdova Cerna was called to the U.S. of America and was informed of a plan to place him as President of the Republic of Guatemala. The initial step was to overthrow President Arbenz's regime and to accomplish this an Army officer was needed. Mr. Córdova Cerna chose Lt. Col. Carlos Castillo Armas, who took up residence in Tegucigalpa, capital City of Honduras, at the end of 1951.

Since then Col. Castillo Armas has received large sums of money for the organization of an uprising and an invasion to Guatemala. Through men close to Col. Castillo Armas it has become known that the United Fruit Company is the main contributor and has managed to interest in the adventure the American Federation of Labor (A.F.L.) having already contributed large sums of money. These men also boast of having obtained the aid and support of the American Army (?).

The Castillo Armas's organization is being done with great ballyhoo and boastful propaganda, with six newspapers and several broadcasting stations. A fatal tactical error was committed by losing the ELEMENT of SURPRISE, which is always invaluable as it balances the small force of a rebellion with the superior ones of the government. An uprising within the Army barracks of Guatemala was attempted, but failed because it became known that the money offered came from the United Fruit Company; and Col. Castillo Armas's agents went to prison having been tried for Sedition and Rebellion.

Notwithstanding this valuable aid in money, military advisers and war material, in about three years no practical result has been achieved. (In less than this time the invasions of North Africa, Italy and France were planned, equipped and launched). On the contrary, they have made Guatemalan Communist Government alert, who has sought and obtained armament and military equipment from behind the Iron Curtain and has on its side an important element of success: "operational initiative". The Communist Government of Guatemala, spurred by the invasion menace, has taken the initiative both in political as in military actions: They obtained a friendly government in Costa Rica (Figueres), they attacked President Somoza of Nicaragua; they maintain political agitators in Colombia, Venezuela, Dominican Republic, Cuba, ~~and~~ Panamá and El Salvador; they have organized large scale strikes in Honduras, supplying weapons to the strikers; they have publicly insulted the United States of America in Caracas,

The Communist government of Guatemala has used the threat of an invasion to create among the Guatemalan people a PATRIOTIC SPIRIT and hatred towards the United Fruit Company. Because of this the Guatemalan population essentially anti-Communist and anti-Arbenzist, do not desire any President of the Republic imposed by the UFCO., nor will tolerate that this Company be the one to solve the political problems of Guatemala.

Because of the negative results obtained in three years of these activities, it is now time to rectify policies and plans and to select new ones and another Guatemalan personalities, under more popular living conditions but in a discreet manner so that the liberal Guatemalan people not be manipulated because of the threat of the